

Minutes of the Chicopee Retirement Board monthly and budget meeting held on November 14, 2013 at 2:00 p.m. in the Auditor's Conference Room.

Present: Members O'Shea, Mackechnie, Riley, Montcalm and Boronski.
Also present was Kevin Chriske from SEI Investments.

The Chairman called the regular meeting to order at 2:09 p.m.

MANAGER PERFORMANCE REVIEW/SEI INVESTMENTS: Kevin Chriske discussed the investments held with SEI Investments and gave the board a booklet with the SEI Investments' information dated November 14, 2013. Mr. Chriske updated the board on the discussion held on October 24, 2013 at the PERAC Commission Meeting. He discussed the rise of interest rates and the effect on fixed income and equities. He stated that the assets are well positioned for the rising interest rates. He also gave a brief economic outlook. He reviewed the performance of the investments compared to the individual benchmarks in each asset class through September 30, 2013. The board thanked Mr. Chriske for his presentation.

A motion was made by Mr. Mackechnie and seconded by Mr. Montcalm to go into Executive Session as per M.G.L Chapter 30A Section 21 for the purpose of discussing the physical condition of two individuals. The board will then reconvene in open session. A roll call vote was taken as follows: Mr. Mackechnie, "yes", Mr. Montcalm, "yes", Ms. Boronski, "yes", Ms. Riley, "yes" and Mr. O'Shea, "yes".

At 2:42 p.m. the meeting went into executive session. The board will reconvene in open session after the executive session.

At 3:55 p.m. the board reconvened in open session.

The following person made a request for a disability retirement allowance according to statute:

Wayne Whitehead – Fire Department

After discussion and reviewing the reports and the statutory provisions for this retirement request, a motion was made by Ms. Boronski and seconded by Ms. Riley to accept this application and to send it to PERAC for a medical panel. ALL IN FAVOR

An involuntary retirement allowance application was received for the following person according to statute:

Stanley Young, School Department

After discussion and reviewing the statutory provisions for this retirement request, a motion was made by Mr. Mackechnie and seconded by Ms. Boronski to accept this application and to send it to PERAC for a medical panel. ALL IN FAVOR

A motion was made by Mr. Montcalm and seconded by Mr. Mackechnie to accept and approve the Minutes of the previous monthly meetings held on October 3, 2013 and November 1, 2013. These minutes will be placed on file. ALL IN FAVOR

A motion was made by Ms. Boronski and seconded by Mr. Montcalm to concur with the payment of warrants 26-27 and approve monthly expense warrants 28-29. **ALL IN FAVOR**

The following people applied for membership in the system according to statute:

Michael Valliere – School Lunch Department
Meagen Donoghue – Planning Department
Colleen Aberdale – Registrar's Department
Alicia Morrison – School Department
Annette Castro Torres – School Department
Mathew E. Desautels – Electric Light Department
Jaime A. Lavalley – Electric Light Department
John R. Sliney – Electric Light Department
Nicholas Aickelin – School Department
Chad Rose – Sanitation Department
Brian Kostopolus – Sanitation Department
Dale Edge – Highway Department
Bryana Sullivan – School Department

These members meet the membership requirements of the system. A motion was made by Ms. Riley and seconded by Mr. Montcalm to approve membership. **ALL IN FAVOR**

INVESTMENTS-PERFORMANCE REVIEW: SEI Investments provided the board with the monthly report of their Investment Performance as of September 30, 2013 and October 31, 2013. PRIM provided the board with the monthly report of their Investment Performance as of September 30, 2013.

SCHEDULE OF BOARD MEETINGS: The Retirement Board Meetings are normally held on the second Thursday of every month except for the following rescheduled meetings: 12/12/13 to 12/02/13, 01/09/14 to 01/23/14, and 02/13/14 to 02/25/14. Any further changes will be updated monthly.

The following people made a request for a retirement allowance according to statute:

Eric Lalonde, Fire Department
Carole Harms, Collector's Office
Steven Lavelle, Police Department
Virginia Robak, Assessor's Office
Donald Demers, City Council
Stella Muzyka, School Department
Ernest Laflamme, Jr.-Treasurer's Office

After discussion and reviewing the statutory provisions for these retirement requests, a motion was made by Ms. Boronski and seconded by Mr. Mackechnie to approve these requests for retirement. **ALL IN FAVOR**

The following people made a request for a refund according to statute:

Matthew Johnson, DPW – Highway
Melanie Leonard, Health Department

These refund requests were prepared for board approval after the refund requirements according to statute were reviewed. A motion was made by Ms. Riley and seconded by Mr. Montcalm to approve these refund requests. **ALL IN FAVOR**

COMPREHENSIVE MEDICAL EVALUATIONS: We received notice from PERAC that three retirees were evaluated for possible return to service under M.G.L. Chapter 32, Section 8. At this time, these retirees are unable to perform the duties of the job, but may be subject to future evaluations. No Board action is necessary at this time.

ACTUARIAL VALUATION: The board received the final actuarial valuation report from Stone Consulting, the board actuary, as of January 1, 2013. Upon review of the report, a motion was made by Ms. Boronski and seconded by Ms. Riley to accept this valuation as of January 1, 2013. **ALL IN FAVOR**

SUPPLEMENTAL BUDGET: The Investment Related Expenses are greater than anticipated due to increases in the market value of assets and investment performance. Upon review of the Investment Related Expenses, a motion was made by Ms. Boronski and seconded by Mr. Mackechnie to file a supplemental budget in the amount of \$200,000.00 for 2013. In accordance with Chapter 32, Section 22, the supplemental budget will be filed with the Chicopee City Council. **ALL IN FAVOR**

PERAC COMMISSION MEETING: We received information from SEI regarding correspondence from PERAC on a proposed policy change on Fund of Funds. This issue was addressed at the PERAC Commission meeting held on October 24, 2013. Correspondence was sent to PERAC from the Chicopee Retirement Board regarding this matter. Two board members attended the PERAC Commission meeting. The estimated expenses to have 2 people attend this meeting were \$135.00. A motion was made by Ms. Riley and seconded by Mr. Mackechnie to approve the expenses in the amount of \$135.00. **ALL IN FAVOR**

REPORT ON 2013 FALL MACRS CONFERENCE: We received a market outlook as well as an update on economic statistics such as inflation, unemployment and interest rates. We were also updated on the legislative issues regarding retirement law. PERAC representatives were present to discuss IRS Determination Letter Filing, audits, and Veteran issues. Attorneys were present to discuss recent legislative cases and the State Board of Retirement updated boards on a new program that will enhance the transmittal of information to the State Board of Retirement.

PERAC MEMOS

- 23. Cycle C Determination Letter Filing
- 24. Mandatory Retirement Board Member Training-4th Quarter 2013
- 25. Appropriation Data Due October 31, 2013
- 26. New Fraud Prevention Poster
- 27. Determination Letter Filing Trainings
- 28. Additional Determination Letter filing training
- 29. IRS Determination Letter Packet – Definition of “Participant”

30. Enforcement of Post-Retirement Limits on Retirees of a Public Retirement System who Take Employment with any Public Entity in Massachusetts. (Earned Income Worksheet and Q & A Attached)
31. Tobacco Company List

These memos were reviewed and placed on file.

REPORTS AND NOTICES:

- Checking Account Reconciliation Report for the month of September
- Trial Balance Report for the months of August and September
- Notification Letter from PRIM regarding PRIT Private Equity Vintage Year 2014
- Correspondence from PRIM regarding PRIM Ranks first in Private Equity Returns – Wall Street Journal article
- PERAC Pension Newsflash – Attorney Philip Y. Brown Appointed to PERAC
- PERAC Pension Newsflash – Governor Patrick Appoints John Langan to PERAC
- PERAC Correspondence-Funded Ratios as of 10-1-13
- PERAC Correspondence-Commonwealth Valuation Report as of January 1, 2013

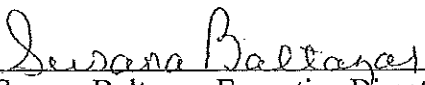
These reports were reviewed and placed on file.

NEW BUSINESS: None

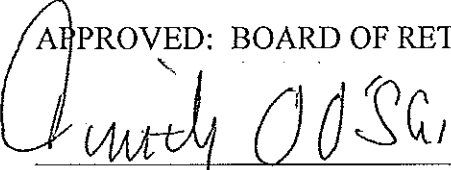
BUDGET: The Board reviewed the budget figures prepared for calendar year 2014. After review and discussion, a motion was made by Ms. Riley and seconded by Mr. Mackechnie to accept and approve the budget for calendar year 2014. **ALL IN FAVOR**

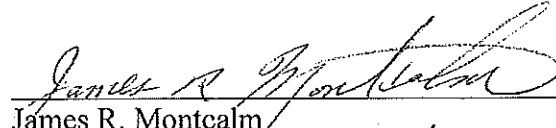
The next monthly meeting of the Board will be held on Monday, December 2, 2013 at 2:00 p.m.

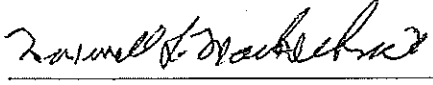
A motion was made by Ms. Riley and seconded by Mr. Mackechnie to adjourn the meeting at 4:28 p.m. **ALL IN FAVOR**

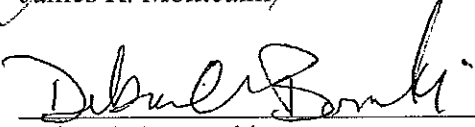

Susana Baltazar, Executive Director

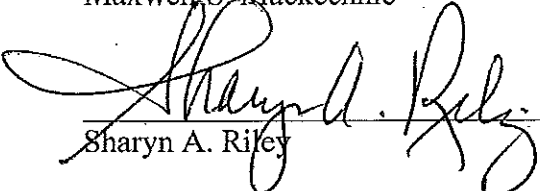
APPROVED: BOARD OF RETIREMENT


Timothy O. O'Shea


James R. Montcalm


Maxwell S. Mackechnie


Debra A. Boronski


Sharyn A. Riley